REMARKS

Amended claim 1 is to: A method for using a computer system to hold a cooperative auction to effectuate an action related to a cause comprising, in sequence:

a) identifying a cause;

b) identifying an entity capable of performing an action related to the cause;

c) setting parameters for the cooperative auction, said parameters comprising identifying a price for the action and specifying, via a computer system, a deadline for receiving pledges earmarked for the action;

d) receiving, via a computer system, before the deadline, a plurality of pledges of value units earmarked for the action; and

e) providing consideration to the entity in exchange for performance of the action, where the consideration comprises value units pledged in step e.

The Examiner rejected independent claims 1, 17, and 18 as anticipated by Bounty (www.bounty.org/proposals/proposal1.html from October 17, 2000). Claim 1 is amended to clarify the order in which the steps, as described in the specification, must take place. Claims 17 and 18 are also amended, to unambiguously require the entity to be identified prior to collecting pledges. In the current invention, the entity and the price must thus be determined prior to collection of pledges, steps that clearly do not occur in this sequence in Bounty. Moreover, in the present invention, the deadline (of claim 1) refers to a time-

frame for collecting pledges, while in Bounty, any deadline is the time at which the product is delivered—clearly different aspects of these quite different inventions. The amendment also places the term "cooperative auction" (as described in the Specification, paragraph 43 and paragraphs 84-99) in the body of the claims, to ensure that it is treated as a claim limitation, further distinguishing from Bounty.

Claim 2 is the method of claim 1, further comprising the step of entering an agreement with the entity, the agreement containing a condition such that, if the condition is met, the entity agrees to take the action. Claims 2 and 19 are rejected by the Examiner as anticipated by Bounty. The Examiner makes the argument that the "bounty specification include several conditions laid out by the initiator of the bounty, to which the developer inherently agrees by developing and submitting software in response to the posted bounty to collect the money" (O.A. pp. 7-8). However, entering an agreement requires two parties, and an "inherent agreement" is not the same as a specific agreement to induce the entity to take the action. Moreover, there simply is no agreement with the provider of Bounty that contains a condition, such that if the condition is met, the entity (the provider) agrees to take an action. Thus, Claims 2 and 19 are not anticipated by Bounty.

Claim 6 is also rejected as anticipated by Bounty. However, Claim 6 is patentable for the same reasons that Claim 2 is.

Claims 8-14 and 20 are also rejected as anticipated by Bounty. These claims are patentable for the same reasons that Claim 2 is. In addition, Claim 8

recites a holder of an intellectual property right, as opposed to Bounty, which describes a prospective creator of a product that may be subject to intellectual property protection. Claims 9 -14, which are all dependent upon Claim 8, is patentable for the same reason that Claim 8 is. Claim 20, which is dependent upon claim 19, is patentable for the same reason that Claim 19 is. Parallel reasoning to that for Claim 8 also is relevant to Claims 19 and 20.

Claims 3-5, 7, 10, and 15-16 are rejected by the Examiner as obvious over Bounty. These rejections are based upon the incorrect premise that Bounty anticipates Claim 1 (especially as amended).

Claim 3 is the method of claim 2, wherein the agreement is entered prior to receipt of pledges, and wherein the agreement specifies a time limitation related to payment of the price. Claim 4 is the method of claim 3, wherein the time limitation comprises a deadline for receiving pledges.

In addressing Claims 3 and 4, the Examiner takes official notice that it would have been obvious to include a time limitation with an agreement. However, any time limits as applied to Bounty and to the Applicant's invention are necessarily different, because time limits associated with the Applicant's invention are prospectively incorporated directly into agreements with the entity that performs the action of claim 1. In Bounty, no such agreement even exists, much less prior to receipt of pledges—thus, it is not appropriate to assert using official notice that Bounty, once a time limit is added, renders claims 3 or 4 obvious. Again, in Bounty, any deadline, to the extent one is provided, is on providing the product, rather than on making the pledges. Thus, the agreements

of the Applicant's invention and the Examiner's "inherent agreement" of Bounty are so different that inclusion of deadlines necessarily leads to completely different inventions.

Claim 5 is the method of claim 4, wherein the plurality of pledges are made by at least one bidder, and the at least one bidder may set an expiration time for his pledge. Regarding Claim 5, the Examiner takes official notice that it would have been obvious to allow expiration of bids. However, in Bounty, there is already a deadline for providing the product, thus inherently setting a time limitation on bids. Thus, there would be no motivation to have additional provisions for expiration of bids prior to that deadline, and thus, allowing bidders to set expiration times for pledges would make no sense. Moreover, other auctions (for instance, eBay or traditional auctions for purchase) do not allow bids to expire—and in fact, permitting bids to expire runs counter to the purpose of a traditional auction, which is to obtain a commitment to make a purchase.

Claim 7 is the method of claim 5, wherein a bidder's pledge results in a transfer of value units from the bidder if the condition is met prior to expiration of the pledge. The Examiner rejects Claim 7 as obvious, taking Official notice that it was old and well-known to utilize only valid bids for the purpose of ensuring the integrity of the auction. However, this argument misses the point of Claim 7, which is an elaboration on claim 5 explaining the consequences of the expiration of a pledge. In fact, the Examiner's argument against Claim 7 further shows why the Examiner's argument against Claim 5 is incorrect—bids are not normally permitted to expire in traditional auctions and an expiring bid is not an invalid bid.

Other auctions don't have this type of expiring bid, and thus there is no precedent for claims 5 and 7, which is why claim 7 is novel and non-obvious.

The Examiner provides no further reasoning, beyond that provided above regarding anticipation by Bounty, of why Claim 10 is obvious over Bounty. Thus, Claim 10 is addressed above.

Claim 15 is the method of claim 9, wherein the intellectual property right is a patent right. Claim 16 is the method of claim 15, wherein the patent right is a license to manufacture a product for a particular purpose.

The Examiner rejects claims 15 and 16 based on Official Notice that a system applicable to transfer of copyrights could also be utilized for transfer of other intellectual property rights. While Bounty does allow for the transfer of software copyrights associated with development of software that meets the requestor's specifications, the Applicant points out that in this context, a copyright is quite different from a patent, especially a pre-existing patent. Bounty concerns itself with specifications on items that can be described in advance, while most, if not all, patents describe inventions that could not be anticipated in advance. Thus, it is not a simple matter to write a specification for an invention to be made, without onesself contributing to the patent. Therefore, based on the Examiner's Official Notice, the patent right would not belong exclusively to the provider in Bounty.

CONCLUSION

For the foregoing reasons, the application is now in a condition for allowance.

Very Respectfully,

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